

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11  
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DELPHI CORPORATION, et al. : Case No. 05-44481 (RDD)  
:  
Debtors. : (Jointly Administered)  
:  
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INTERIM ORDER UNDER 11 U.S.C. § 327(a) AND  
FED. R. BANKR. P. 2014(a) (I) AUTHORIZING THE EMPLOYMENT AND  
RETENTION OF TOGUT, SEGAL & SEGAL LLP AS CONFLICTS COUNSEL  
FOR THE DEBTORS AND (II) SCHEDULING FINAL HEARING THEREON

("TOGUT RETENTION INTERIM ORDER")

Upon the application, dated October 8, 2005 (the "Application"),<sup>1</sup> of Delphi Corporation and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), for an interim order (the "Interim Order") under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014(a) authorizing the employment and retention of Togut, Segal & Segal ("TS&S") as conflicts counsel in these chapter 11 cases pursuant to the engagement letter, dated October 5, 2005 (the "Engagement Letter"), attached to the Application as Exhibit B and (b) scheduling a final hearing thereon; and upon the Affidavit Of Robert S. Miller, Jr. In Support Of Chapter 11 Petitions And First Day Orders, sworn to October 8, 2005, and the Declaration of Albert Togut, dated October 8, 2005, in support of the Application (the "Togut Declaration"); and this Court having determined that the relief requested in the Application is in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest; and it appearing that proper and adequate notice of the Application has been

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms shall have the meaning ascribed to them in the Application.

given and that no other or further notice is necessary; and after due deliberation thereon; and  
good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is GRANTED on an interim basis.
2. Subject to the terms of this Interim Order, the Application and the Engagement Letter are approved in all respects.
3. In accordance with section 327(a) of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code") and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), each of the Debtors, as a debtor-in-possession, is authorized to employ and retain TS&S as its conflicts counsel, effective as of the date of the Application, to perform the services described in the Application and as set forth in the Engagement Letters.
4. In accordance with section 327(a) of the Bankruptcy Code, the Debtors are authorized to employ and retain TS&S as their conflicts counsel (a) to perform services on the bankruptcy-related matters for which Skadden Arps Slate Meagher & Flom LLP and Affiliates ("Skadden") cannot handle because such matters involve its clients (each, a "Client," and collectively, the "Clients") and could present conflicts of interest and (b) to perform other discrete duties as are assigned by Skadden to TS&S as generally described in the Application and the Togut Declaration.
5. When a bankruptcy-related matter concerning any Client is identified in the Debtors' cases, Skadden shall promptly notify TS&S of that fact so that TS&S may immediately advise the Debtors.

6. If the Debtors are adverse to any Client, TS&S and not Skadden shall represent the Debtors in such matter.

7. TS&S shall be compensated in accordance with the standards and procedures set forth in sections 330 and 331 of the Bankruptcy Code and all applicable Bankruptcy Rules, Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "Local Rules"), guidelines promulgated by the Office of the United States Trustee, and further orders of this Court.

8. This Interim Order shall remain in full force and effect until such time as this Court enters an order ruling on the Application on a final basis.

9. The Debtors shall serve a notice of the final hearing to approve the Application (the "Notice"), substantially in the form attached hereto as Exhibit 1, on (a) the Office of the United States Trustee, (b) the Debtors' 50 largest unsecured creditors, (c) counsel for the agent under the Debtors' prepetition credit facility, (d) counsel for the agent under the Debtors' proposed postpetition credit facility, and (e) any committee appointed under section 1102 of the Bankruptcy Code. Notice served pursuant to the preceding sentence shall be via first class mail, postage prepaid. No further notice of the final hearing to approve the Application or of the entry of this Interim Order need be served by the Debtors.

10. Objections, if any, to approval of the Application on a final basis must be in writing and filed timely in accordance with the requirements set forth in the Notice. There shall be a hearing held on October 27, 2005 at 10:00 a.m. (Prevailing Eastern Time) before the Honorable Robert D. Drain, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 610, New York, New York 10004, to determine whether to approve, on a final basis, the retention of TS&S on the terms described in the Application.

11. Any party-in-interest shall have the right to raise the issue of the application of TS&S's prepetition retainer to postpetition fees and expenses incurred at any time.

12. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Interim Order.

13. The requirement under Rule 9013-1(b) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York for the service and filing of a separate memorandum of law is deemed satisfied by the Application.

Dated: New York, New York  
October 14, 2005

/s/ ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

NOTICE

**Hearing Date: October 27, 2005, 10:00 a.m.**  
**Objection Deadline: October 24, 2005, 4:00 p.m.**

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NOTICE OF APPLICATION AND ENTRY OF INTERIM ORDER  
UNDER 11 U.S.C. § 327(a) AND FED. R. BANKR. P. 2014 (a)  
(I) AUTHORIZING EMPLOYMENT AND RETENTION OF  
TOGUT, SEGAL & SEGAL AS CONFLICTS COUNSEL FOR  
DEBTORS AND (II) SCHEDULING FINAL HEARING THEREON

PLEASE TAKE NOTICE that on October 8, 2005, Delphi Corporation ("Delphi"), and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases (collectively, the "Debtors"), filed the Application For Order Under 11 U.S.C. § 327(a) And Fed. R. Bankr. P. 2014(a) (I) Authorizing Employment And Retention Of Togut, Segal & Segal LLP As Conflicts Counsel For Debtors And (II) Scheduling Final Hearing Thereon (the "Application").

PLEASE TAKE FURTHER NOTICE that on October \_\_, 2005, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") entered an interim order granting the relief requested in the Application, a copy of which is enclosed herewith.

PLEASE TAKE FURTHER NOTICE that a hearing ("the Hearing") to consider approval of the Application on a final basis will be held on October 27, 2005, at 10:00 a.m. (Prevailing Eastern Time) before the Honorable Robert D. Drain, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Room 610, New York, New York 10004.

PLEASE TAKE FURTHER NOTICE that objections, if any, to approval of the Application on a final basis must (a) be in writing, (b) conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, (c) be filed with the Bankruptcy Court in accordance with General Order M-242 (as amended) – registered users of the Bankruptcy Court's case filing system must file electronically, and all other parties in interest must file on a 3.5 inch disk (preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format), (d) be submitted in hard-copy form directly to the chambers of the Honorable Robert D. Drain, and (e) be served

upon (i) Delphi Corporation, 5725 Delphi Drive, Troy, Michigan 48098 (Att'n: General Counsel), (ii) counsel to the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, 333 West Wacker Drive, Suite 2100, Chicago, Illinois 60606 (Att'n: John Wm. Butler, Jr.), (iii) conflicts counsel to the Debtors Togut, Segal & Segal LLP (Att'n: Albert Togut), (iv) special counsel to the Debtors, Shearman & Sterling LLP, 599 Lexington Avenue, New York, New York 10022 (Att'n: Douglas P. Bartner), (v) counsel for the agent under the Debtors' prepetition credit facility, Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017 (Att'n: Marissa Wesley), (vi) counsel for the agent under the Debtors' proposed postpetition credit facility, Davis Polk & Wardell, 450 Lexington Avenue, New York, New York 10017 (Att'n: Marlane Melican), (vii) counsel to any official committee formed in these cases, and (viii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, Suite 2100, New York, New York 10004 (Att'n: Alicia M. Leonhard), in each case so as to be **received** no later than **4:00 p.m. (Prevailing Eastern Time)** on **October 24, 2005** (the "Objection Deadline").

PLEASE TAKE FURTHER NOTICE that only those objections made in writing and filed timely and received by the Objection Deadline will be considered by the Bankruptcy Court at the Hearing. If no objections to the Application are filed timely and served in accordance with the procedures set forth herein, the Bankruptcy Court may enter a final order granting the Application **without further notice**.

Dated: New York, New York  
October \_\_, 2005

SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP

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